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Chairman: Mr. Suazo ..... (Honduras)
later: Mr. Kára (Vice-Chairman) ..... (Czech Republic)

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The meeting was called to order at 3.15 p.m.

Agenda item 89: Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006) (*continued*) (A/C.2/57/L.23 and A/C.2/57/L.24)

Draft resolution on implementation of the First United Nations Decade for the Eradication of Poverty (1997-2006) (A/C.2/57/L.24)

1. **Mr. Vallenilla** (Venezuela), speaking on behalf of the Group of 77 and China, introduced draft resolution A/C.2/57/L.24, on a topic that was certainly the highest priority of most developing countries — poverty eradication. The resolution was somewhat long, since the issue was complex and the Group of 77 and China felt strongly that all actions to be taken by the international community within the framework of the first United Nations Decade for the Eradication of Poverty should be clearly laid down in resolution form.

Draft resolution on establishment of the World Solidarity Fund (A/C.2/57/L.23)

2. **Mr. Vallenilla** (Venezuela), speaking on behalf of the Group of 77 and China, introduced draft resolution A/C.2/57/L.23 on establishment of the World Solidarity Fund, a product of the World Summit on Sustainable Development, and the next logical step in the campaign to eradicate poverty in keeping with the spirit of the Millennium Declaration.

Agenda item 86: Sustainable development and international economic cooperation (*continued*) (A/C.2/57/L.11)

(c) Culture and development (*continued*)

Draft resolution on the Year of Kyrgyz Statehood (A/C.2/57/L.11)

3. **The Chairman** announced that Yemen wished to join the sponsors and that Kazakhstan wished to withdraw.

4. **Ms. Kelley** (Secretary of the Committee) said that, in addition to Burkina Faso, Canada, the Dominican Republic, India, Italy, Swaziland and Tajikistan, which had already joined the sponsors, Kuwait, the Philippines, Qatar and Suriname wished to become sponsors.

5. *Draft resolution A/C.2/57/L.11 was adopted.*

Agenda item 94: Globalization and interdependence (A/57/287, A/57/88-S/2002/672, A/57/422-S/2002/1064, A/57/444)

6. **Mr. Khan** (Director, Division for Economic and Social Council Support and Coordination) introduced the report of the Secretary-General on the role of the United Nations in promoting development in the context of globalization and interdependence (A/57/287), the third such report since the launching of the reporting process on the phenomenon of globalization in 1998 with the high-level dialogue of the Economic and Social Council on strengthening international economic cooperation through partnership. While the previous two reports had been very broad in scope, the current one focused on the outcomes of the International Conference on Financing for Development, held in Monterrey, and the World Summit on Sustainable Development, held in Johannesburg, particularly, the interlinkages between economic governance at the national and global levels. The report was not ground-breaking but rather a compilation of all the proposals and initiatives, not only from an economic perspective but also taking into account social and other dimensions. For example, the World Commission on the Social Dimension of Globalization of the International Labour Organization (ILO) (A/57/287, Box 4) dealt not only with trade and finance but also with various social issues such as money-laundering, corruption and organized crime. The purpose of narrowing the focus was to move the discussion beyond generalities to consideration of specific aspects of globalization in greater depth and detail.

7. **Mr. Vallenilla** (Venezuela), speaking on behalf of the Group of 77 and China, said that the developing countries were concerned mainly with the impact of globalization on their economic and social development, and whether the globalization of trade, the financial markets and communications (including in the cultural sphere) would help or hinder their attainment of sustainable growth and development. He wondered whether, beyond a mere description of the phenomenon of globalization, the Committee could reach a conceptual agreement on mechanisms to harness globalization for the benefit of all. That would entail making progress in the areas of trade and finance, on the basis of the Declaration of the Fourth

Ministerial Conference of the World Trade Organization (WTO), held in Doha, and the Monterrey Consensus; respectively, and espousing principles of justice, equity, balance and transparency.

8. **Ms. Løj** (Denmark), speaking on behalf of the European Union and the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia, Turkey, and, in addition, Iceland, called for an integrated approach to globalization, covering social, economic and environmental policies, which drew all developing countries into the global economy, and was based on domestic policies to ensure good governance at the national and local levels. Countries must establish appropriate policies in the areas of taxation, income redistribution, decent rights at work and anti-corruption in a context of democracy, rule of law and respect for human rights. The international community, in turn, must lend support, including technical assistance and capacity-building, to national efforts to create effective social and economic institutions, which played a pivotal role in making globalization a positive phenomenon. Support for capacity-building in local communities was equally important to that end.

9. Turning to the economic dimension of globalization, she called for better policy coherence among the United Nations, the international financial institutions and the World Trade Organization and enhanced stability and transparency of the international financial system, including through improved crisis prevention and resolution, and measures to tackle the financial abuse of globalization by terrorism, corruption and money-laundering. A more inclusive and equitable global economic system, in which all countries and civil society participated, was also vital. The European Union would continue to contribute to the debate on improving global economic governance. In the area of trade, the European Union was firmly committed to the provisions of the Doha Ministerial Declaration particularly with regard to market access. It was the main export market for developing countries and offered them many trade preferences, including its "everything but arms initiative", which granted duty-free and quota-free market access for all exports from the least developed countries. The European Union would also continue to increase its assistance to strengthen long-term trade and production capacity, reduce supply-side constraints and help countries participate effectively in WTO negotiations. As for the social dimension of global governance, the European Union strongly advocated the full implementation of the core labour standards set out in the Declaration on Principles and Fundamental Rights at Work, unanimously adopted by the International Labour Organization in 1998. It supported ILO monitoring and enforcement measures and believed they should be strengthened. The European Union welcomed, in particular, the establishment of the ILO World Commission on the Social Dimension of Globalization and looked forward to the conclusions of its analytical work, to be submitted in 2003.

10. The European Union looked forward to the World Summit on the Information Society to be held in 2003 and 2005, which would promote greater knowledge-sharing through new technology and enhance partnerships to make information available to all countries and peoples. It also strongly supported the United Nations Information and Communication Technologies (ICT) Task Force. The benefits of globalization could be maximized by providing the world with global public goods, such as the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria and the Global Environment Facility (GEF), prime examples of true global partnership among the public sector, the private sector and civil society. The European Union strongly supported the establishment of an open, transparent and inclusive participatory process at the global level to explore the definition, identification and effective provision of global public goods and encouraged all countries and organizations to play an active role in the work of the International Task Force on Global Public Goods, launched at the World Summit on Sustainable Development.

11. **Mr. Zhang** Yishan (China), noting that globalization was the inevitable result of the development of productive forces and of science and technology, said that global governance had not kept pace with the rapid development of market globalization, and the latter had further aggravated the inequities in the global financial and trading systems, as a result of which many developing countries found themselves in difficulties. Global democratization must go hand in hand with global integration, requiring reform of the existing global financial, monetary and trading systems, making them more equitable and democratic, and increasing the participation of developing countries in global decision-making and norm-setting. Globalization should respect diversity

and ownership: it did not necessarily mean that there should be a uniform model of development. Countries must independently choose their own path to development, but globalization should promote increased exchanges between cultures on the basis of mutual respect, as well as tolerance and harmonious coexistence. Globalization should enhance policy coherence and consistency among multilateral economic institutions. Policy coherence at the national level needed to be enhanced as well. Coherence between the development cooperation policies and economic policies of the developed countries was a matter that needed to be addressed urgently: the United Nations could and should play a leading role in securing the policy coherence of various institutions at global level, which would promote the development of developing countries, narrow the gap between North and South, and lead to global prosperity. Finally, globalization should foster independence and solidarity: those who practised a "beggar-thy-neighbour" policy would eventually see their policy backfire, as had been shown in the Asian financial crisis. International relations in the context of globalization should be based on multilateralism and mutual cooperation aimed at global development and security. China called for increased international cooperation based on the principle of equality and mutual benefit and effective implementation of relevant development goals and tasks.

12. **Mr. Hassan** (Pakistan) said that those who had suffered the negative consequences of globalization regarded it as a new form of economic, cultural and eventually political domination. Unbridled market forces were increasing the pain, suffering and misery of hundreds of millions of people. Globalization was negatively affecting the overall process of development, marginalizing weak and small economies.

13. If globalization was to work for all, the economic, financial and social challenges would have to be addressed in a coherent manner, requiring greater cooperation among States Members of the United Nations but also between the United Nations and the Bretton Woods institutions, civil society and the private sector. The Monterrey Consensus provided the basic framework, and its commitments must be implemented. Genuine globalization would require that the developing countries be properly integrated into the global economic system, with the markets of the developed countries open to freer cross-border flows of goods, technology, capital, information and people. Other prerequisites were resolution of the unsustainable debt burden of developing countries, filling capacity and resource gaps and enhancing those countries' participation in international decision-making and norm-setting. The developed countries were lecturing the developing world about the advantages of deregulation and liberalization, but were scarcely applying those principles to their own markets. Major areas of export interest to developing countries were either closed or protected. Pakistan was also looking forward to the report of the World Commission on the Social Dimension of Globalization, established by ILO, which it hoped would make useful recommendations on using the process of globalization as a resource for poverty eradication and employment generation. In all those developments, the United Nations should play the leading role.

14. **Mr. Zagrekov** (Russian Federation) said that the United Nations must play an active role in regulating globalization through enhanced coordination of monetary, financial and international trade policies involving greater cooperation with the relevant international forums. His delegation supported the furtherance of the dialogue between the United Nations and the Bretton Woods institutions and WTO, both at the annual meetings between the Economic and Social Council and the Bretton Woods institutions and in the high-level dialogue within the framework of the General Assembly. Such dialogues must focus on coordinating and cooperating in implementation of the decisions of the International Conference on Financing for Development. The role of the United Nations was particularly important in assisting developing countries and countries with economies in transition to use the opportunities of globalization through their integration into the world economy in the areas of international trade and foreign investment. The integration process could be promoted by making WTO a genuinely universal organization.

15. One of the characteristics of globalization was the increasing role of the private sector in the world economy, and his delegation considered that the United Nations could derive significant benefit from a partnership with the private sector. The Russian Federation called for further expansion of that partnership, especially in the context of implementing the initiative of the Secretary-General regarding the

Global Compact. The Russian Federation supported his recommendation to create a common umbrella which would bring together under his leadership the Global Compact Office and the United Nations Fund for International Partnerships.

16. Organized crime, which fed international terrorism, could be combated only through the joint efforts of the international community, and in that regard the United Nations had an important role to play. An international legal basis should be worked out for regulating questions concerning the repatriation to their countries of origin of funds received through corrupt practices which had been illegally transferred.

17. The social dimension of globalization had to be adequately taken into account, especially in the drafting of national and international strategies. Securing balanced integration of economic, financial, trade and social policy at national and international levels required moving away from a narrowly sectoral approach to resolving the global problem, and in that regard the United Nations possessed unique advantages.

18. *Mr. Kára (Czech Republic), Vice-Chairman, took the Chair.*

19. **Mrs. Ribeiro Viotti** (Brazil), speaking on behalf of the countries members of the Common Market of the Southern Cone (Mercosur), said that, in order to turn the problems of globalization into opportunities, it was necessary to increase coherence in many areas of international economic relations. The participation of developing countries in international economic forums should be enhanced and more legitimacy given to international decision-making, allowing the concerns and interests of all countries to be taken into account. For instance, the IMF quota formula should be revised to eliminate the bias in favour of developed countries. There should also be an integrated international approach to all development issues, stimulating contacts between the United Nations, IMF, the World Bank and WTO, and attracting the participation of NGOs and the private sector. One of the challenges for the United Nations was to follow up on that cooperation both at the annual meeting between the Economic and Social Council and the Bretton Woods institutions and in the high-level dialogue of the General Assembly. Another important task of the United Nations was that of integrated follow-up to the major conferences and summits of recent years.

20. In order to enhance coherence in the international order, it was necessary to fight against the asymmetries of international trade: there was a huge gap between free trade rhetoric and protectionist realities. In the past decade, Mercosur countries had done a great deal to open up their markets and integrate themselves into the world economy, but the same level of openness had not been evident in the developed countries. Another issue that deserved careful consideration was that of international financial flows: the countries most in need of resources transferred them to developed countries. That major incoherence of globalization should be resolved by an increase in official development assistance, market access for the exports of developing countries, debt cancellation and creation of an international environment favourable to investments in developing countries. The absence of rules created high volatility in transactions involving speculative capital: there was a need for new frameworks so as to avoid systemic problems and to allow all countries to enjoy the same opportunities. Experience had shown that the market economy could generate wealth but could not satisfactorily distribute it, which was why it was necessary to implement the outcomes of the major conferences and summits, strengthening the role of States and fighting against the incoherences and inequalities of the international economic order.

21. **Mr. Cheah Sam Kip** (Malaysia) said that the current form of globalization was affecting developing countries negatively: the various asymmetries in the international system, together with global financial instability, were making it more difficult for them to benefit from the process. His own country's experience of unfettered globalization and liberalization had shown that the risk was as real as the potential: free markets and the free mobility of capital had imposed costs which Malaysia was unwilling to bear, and it had undertaken macroeconomic adjustment policies and implemented financial reforms to reduce risks and vulnerabilities. Malaysia believed that the freedom of the market to act was neither absolute nor unqualified. Globalization had to be fully inclusive and equitable. The consultation process needed to be improved so that the views and positions of all countries could be heard when economic decisions with a global impact were taken in the various international bodies. The faith of many developing countries in globalization had been greatly shaken and diminished, and they viewed the prospect of further liberalizing their economies with

great trepidation. Unless appropriate responses were forthcoming from the individual countries themselves as well as from the international community, the asymmetries implicit in the process of globalization were bound to intensify uneven development.

22. Malaysia noted with appreciation the positive influence of the United Nations on the interventions that were required to assist the developing countries in that regard, and also appreciated the recent efforts made by the World Bank and IMF to that end. Any approach to balanced development needed to take into account the increasing influence of civil society and the private sector. The latter should be made a partner in the implementation of national and global programmes, but regrettably there was no mechanism at present capable of monitoring or regulating the activities of the private sector, particularly the large corporations. That situation had to be addressed, so as to provide some form of corporate responsibility underpinned by transparency and accountability. There was indeed a need to ensure that the globalization of economies and societies was supported and sustained by a globalization of community. Relations among States had to be based on a new paradigm predicated not only on equal sovereignty but also on respect for dignity and the mutuality of interests and benefits.

23. **Ms. Zubčević** (Croatia) said that, in an increasingly interdependent world, the enhancement of economic governance at all levels had become critical. The need for globalization to be fully inclusive and equitable was well known, but it was necessary to implement policies and strategies for the benefit of all. Recent conferences and summits had provided a broad framework for coherence, not only among country policies and programmes, but also among multilateral institutions. Key institutions in international economic policy-making needed to be more inclusive and participatory, while developing countries should design national development strategies and policies promoting good governance and participate in the fight against all forms of crime. Developing countries and economies in transition needed assistance in strengthening capacity-building, human resource development and technological progress to develop effective economic governance systems. The United Nations could make a positive contribution through better coordination, cooperation and policy coherence of its existing mechanisms, especially among the main bodies, agencies, funds and programmes.

24. Regional institutions also had a role in economic governance in terms of financial stability and the balance of power at the international level. To that end, the enhancement of the role of United Nations regional economic commissions and other regional and subregional integration processes and cooperation initiatives should be encouraged.

25. Croatia was fully committed to the Stabilization and Association Agreement it had signed with the European Union. Although primarily a political measure, that was also an important economic agreement introducing free trade between Croatia and the European Union. At the regional level, Croatia had also been active in the Stability Pact for South Eastern Europe, under which it had helped to create sustainable market economies and encouraged local and foreign direct investment.

26. **Mr. Huntley** (Saint Lucia), speaking on behalf of the fourteen Member States of the Caribbean Community (CARICOM) that were Members of the United Nations, said that globalization had created opportunities for the few countries that had been able to take advantage of it, but had posed serious development challenges for the majority of developing States.

27. In spite of its shortcomings, the United Nations was the only institution with a clear development mandate under its Charter. Other institutions with narrower mandates, limited membership and exclusive decision-making processes, unless reformed, could not legitimately assume such a developmental responsibility. The obvious distinctions between the United Nations and such institutions was that the former developed policy without an enforcement mechanism, while the others enforced policy without a mandate or legitimacy of representation or full participation.

28. As the sole global institution, the pivotal role of the United Nations in promoting development was to provide a structure for good governance at the international level for the benefit of all peoples. To that end, the Organization must be strengthened commensurate with the demands of its development role and endowed with resources and personnel to meet the growing needs of developing countries.

29. The first step for the United Nations in promoting development in globalization was to facilitate further policy dialogue with all stakeholders. Such dialogue

should also include an examination of institutions governing the global economy and their mandates, with a view to promoting coherence and coordination. The next important step was to urgently establish effective monitoring mechanisms to ensure implementation of the outcomes of the recent conferences.

30. One of the glaring contradictions of globalization was the weakening of national governments by diminishing their role in regulating domestic markets. CARICOM believed that trade constituted one of the major vehicles for generating resources for development and stimulating growth. Trade liberalization, as currently practised, was the most significant barrier to development for developing countries because of the governing structure and decision-making processes of the multilateral trading system, which allowed the predominance of the few major trading countries and their transnational corporations. Yet, WTO was the only multilateral institution with enforcement and retaliation capabilities. The United Nations must promote a development dimension in the work of WTO and democracy in its decision-making processes. CARICOM hoped that implementation of the Monterrey Consensus would be reflected in the work of the Fifth Ministerial Conference of WTO and repeated its call for an institutional arrangement between the United Nations and WTO. It also requested the Secretary-General to submit a factual report and recommendations on the existing draft arrangement.

31. He underscored the impact of transnational corporations on globalization, noting that their growth was most significant in industries that formed the foundation for development. However, in developing countries those crucial sectors were becoming increasingly foreign-owned and subjected to strenuous negotiations and conditionalities. A global intergovernmental mechanism to monitor and regulate transnational corporations and their contribution to development was needed. CARICOM believed that a reinstated unit on transnational corporations within the United Nations system could resume that vital function.

32. The United Nations should provide governance of the global economy through a mechanism that could ensure implementation and equity in development. The strengthening of the Economic and Social Council should be considered, provided that the Council could be expanded to allow equal participation of all Member States.

33. **Mr. Yahya** (Israel) said that globalization implied growing interdependence resulting from advances in information and technology, increased international movements, electronic commerce, multinational business and capital and investment flows. It also affected almost every aspect of modern life beyond the economic realm. It was therefore important to strike a balance between economic growth and environmental sustainability, the prosperity of advanced nations and the aspirations of the developing world, the emerging global culture and the need to protect diversity and individuality.

34. Israel welcomed the emphasis placed by the Secretary-General on the need to establish patterns on good governance, mechanisms of accountability and transparent economic policies. Those characteristics constituted a call for democratization and participatory government, which were among the most important criteria for ensuring that globalization was inclusive. Israel had focused its development efforts on capacity-building and the building of partnerships, in the belief that nations must be self-sufficient. The programmes of the Government's Center for International Cooperation had helped communities to alleviate poverty and integrate the lowest economic sectors into the scientific and economic trends that were transforming the globe. The full potential of globalization would be reached only when all nations were capable of sharing the opportunities it provided.

35. **Mr. Lopez** (Philippines) said that the Philippines welcomed the report of the Secretary-General on the role of the United Nations in promoting development in the context of globalization and interdependence (A/57/287). His delegation believed that the marginalization and vulnerability of many developing countries, the widening income and technology gap between countries, and massive natural resource depletion and environmental degradation due to current patterns of economic development were areas of urgent concern.

36. Although national development was primarily the responsibility of each country, unilateral pursuits were never enough to achieve sustainable development. Multilateral cooperation, technology transfer, capacity-building, and the establishment of an enabling international environment conducive to sustained

economic growth and development should be stressed. Developing countries needed adequate mechanisms to offset adverse fluctuations in international commerce and finance.

37. Developing countries had accepted the need for good governance in public and corporate sectors and for the adoption of institutional reforms, guided by national priorities, requirements and capabilities in order to adjust to the new realities and imperatives of global cooperation. They had also recognized that increased foreign direct investment flows and official development assistance, improved access to foreign markets, effective debt relief and greater restraint and flexibility in the use of conditionalities would facilitate their pursuit of sustainable development. The outcomes and initiatives of recent conferences were particularly welcomed and it was hoped that the multilateral trading system would fully support development efforts. In order for globalization to positively affect developing countries, action was needed to improve access to international resources and to enhance the coherence of international monetary, financial and trading systems.

38. **Mr. Oratmangun** (Indonesia) said that it was a challenge for the United Nations and the international community to ensure that globalization became a positive force for all. Economic governance could provide a conducive environment for harnessing the potential of globalization in the service of development and poverty eradication.

39. In order to minimize the risks of globalization, it was critical to address the national, regional and international dimensions of economic governance. Part II of the Secretary-General's report in document A/57/287 highlighted four major areas that would prove crucial in closing the gap between the rapid pace of market globalization and the slow adaptation of governance structures and processes at the international level.

40. At the national level, the outcomes of the recent major conferences had stressed the importance of promoting both domestic and foreign investment. There was no doubt that developing countries must strengthen their national institutions in order to effectively and productively join the global economy. Indonesia was pleased to note in the Monterrey Consensus the commitment of the international community to support developing countries in their efforts to develop effective economic governance systems.

41. **Mr. Vienravi** (Thailand) said that the financial aspect of globalization could directly affect other components of the global economy, particularly trade and investment. A healthy and stable global economy required reform of the international financial architecture to bring about improved global financial governance and increased international financial stability. He urged the international community to fully utilize the framework for coherence provided by the Monterrey Consensus and the Plan of Action adopted at Bangkok, under the auspices of UNCTAD.

42. The increasingly interdependent nature of globalization necessitated increased participation by developing countries in policy- and decision-making on international financial issues. Reform of the governance structure of the Bretton Woods institutions was also needed to enhance the role of developing countries and emerging markets in the World Bank and IMF. An important first step could be the implementation of an equitable voting system for decisions which did not require drawing on the financial resources of the Bank or the Fund, but which affected all Member States. However, effective participation of developing countries would invariably require capacity-building and human resources development. He encouraged developing countries to make use of the International Institute for Trade and Development, based in Bangkok, which provided assistance in coping with the challenges of globalization.

43. Collective action and political will at the global level were crucial, and sincere cooperation was needed to create greater opportunities for all nations. The importance of firm commitment by the international community to the full implementation of the Monterrey Consensus and the Declaration and Plan of Implementation adopted at the World Summit on Sustainable Development, and to the outcomes of other major conferences could not be overemphasized.

44. **Mr. Kaemba** (Zambia) said that, while the global situation created by the expansion of information exchange gave cause for optimism, it should also be approached with caution. States should be careful how they seized the new opportunities afforded by globalization. The pace of its progress led his delegation to wonder whether the developing countries

were successfully integrating into the world economy. His own country was beset by difficulties arising from the mining sector's production problems, and the lack of self-sufficiency in food production owing to drought during the agricultural seasons. The external debt situation had also greatly weakened its terms of trade.

45. Zambia was an active participant in the multilateral trading system and in various preferential arrangements so as to benefit fully from its economic liberalization efforts through increased trade. While the Government's economic reforms were slow to bear full fruit, continued structural reforms, including advanced privatization and tariff rationalization, afforded better resource allocation. Zambia needed even more technical assistance in order to address its major concerns, including full participation in the multilateral trading system and exploitation of the related opportunities. Trading partners should ensure that their markets were open to Zambian goods, which were moving increasingly away from copper towards agriculture. If the least developed countries (LDCs) that were members of WTO were to achieve greater coherence in policy-making, as outlined in the Monterrey Consensus, they should receive full support from the Bretton Woods institutions through concessional programmes. He urged the international community to work towards debt cancellation for heavily indebted poor countries.

46. **Ms. Lewis** (International Labour Organization (ILO)) said that most peoples and countries were inadequately represented in intergovernmental organizations, and there were few opportunities for the voice of civil society to be heard. However, the recent growth of global networks in a variety of areas held out some hope. A decentralized, heterogeneous and networked world in which non-hierarchical units focused on specific problems had virtually replaced the old model of sovereign States, creating not anarchy or world government but "networked minimalism".

47. Global governance was a major theme to be addressed by the recently established ILO World Commission on the Social Dimension of Globalization, which was due to report in late 2003. Certain proposals were being made to the Commission for discussion. There was growing interest in reducing the global democratic deficit and improving international institutions' political effectiveness in achieving the Millennium Declaration goals, among others. But the idea of a global legislature of some 500 members, which, if based on proportional representation, would preclude automatic membership of most countries, should be abandoned in favour of maximizing the effectiveness of existing avenues of influence.

48. The High-level Panel on Financing for Development had recommended holding a global council meeting to ensure that voices representing all relevant parties were heard in the discussion. However, a more accessible approach would be to upgrade the Economic and Social Council, for which purpose the Secretary-General had already proposed a number of steps. One aspect of that reform could be shorter but more frequent meetings to discuss clearly focused subjects. Another could be a radical change in the voting system in the Bretton Woods institutions, where a large proportion of the voting rights was vested in a few developed countries. The developing countries' quotas should be increased in pursuit of more equitable representation.

49. Other gaps and weaknesses in the provision of global public goods, such as control of various diseases, environmental protection, fiscal cooperation, and reduction of international crime and financial volatility, should be identified and the means of rectifying them discussed. Global governance was essential and new policies and new or reformed institutions were needed. The United Nations economic and social forums must be strengthened and the economic and financial institutions reformed. The range and depth of global public goods needed to be extended and financing for development rapidly increased.

50. **Mr. Sharma** (Nepal) said that globalization had linked the destiny of humanity, thanks to advances in science and technology and the spread of democratic values and open markets. It was untenable and potentially explosive that the benefits of that globalization were highly concentrated in a few countries, making the rich richer and the poor poorer. Globalization that did not work for all would not work long for any, but would ineluctably spawn a backlash.

51. The challenge was to display the political will and the resolve to implement the Millennium Declaration goals and the compacts made at global conferences, so that developing nations could prosper and be integrated into the global economy for the benefit of all nations. That, in turn, called for the building-up of the developing nations' productive

capacities and the opening of markets to boost trade for their products. The developing nations must themselves create basic infrastructure, provide their people with basic services, mobilize internal resources and undertake reforms that encouraged investment and innovation, while the developed nations must offer them more aid and debt relief and help them attract more foreign investment.

52. The developing nations that had gradually liberalized their economies and opened their markets, mostly under the weight of donor conditionality, had been disillusioned when their development partners, albeit well-meaning, had failed to make good on their promise to steer them to sound health. The rich nations must keep their promises and practise what they preached, open their markets, dismantle their huge agricultural subsidies, remove tariff and other barriers to imports from the South, display a democratic spirit in world economic management and make the structural changes needed for a healthy global economy. They must ensure the developing countries' increased participation in global decision-making and the global trade regime, in the interest of the latter's capacity to trade and develop, especially by facilitating non-members' entry into WTO.

53. The international community must do all in its power to remedy the precarious situation of the LDCs by implementing the Brussels Programme of Action and ensuring duty-free and quota-free access to rich nations' markets, and to help landlocked developing countries overcome their geographical disadvantage.

54. Other consequences of globalization and interdependence were the globalization of terrorism and other crimes, the effect that conflict in one country had on the security of others, and the global spread of certain diseases, all of which could be tackled much more effectively by regional and subregional groups than by a single nation on its own. The United Nations could also play a powerful advocacy role, in addition to its proven worth as a source of technical and financial support for reforms, production-capacity development and trade facilitation. It was also in a position to put pressure on rich nations, international financial institutions and WTO to change their attitudes, and on developing countries to undertake reform and encourage regional economic integration. Civil society, too, could enhance understanding among stakeholders and urge key players to improve global national governance.

55. **Mr. Lolo** (Nigeria) said that the benefits of globalization were much more manifest in developed countries, where it had limitless potential. While a handful of developing countries had also benefited from globalization, the prevalence of poverty, disease and ignorance in most of them called those much-vaunted benefits into question. Shrinking borders had created an interdependent world with impressive levels of human creativity and thought, but also shifted its focus from the essence of being to the expedience and dictates of market forces. The participants in the Millennium Summit had vowed to create an enabling national and global environment conducive to fully inclusive and equitable globalization promoting development and poverty eradication. It was essential to promote social progress and better standards of living for all people, in accordance with the Charter of the United Nations.

56. While his delegation agreed with the main thrust of the Secretary-General's report (A/57/287), it felt strongly that the United Nations should give more attention to, and provide leadership for, the implementation of international agreements, especially since the three main conferences of 2002 had focused on implementation. Progress in that regard required all sides to fulfil their commitments. The Organization must improve its coordination, coherence, consistency and efficiency; the General Assembly must maintain its universality and be more visible in decision-making and in its leadership; and the Economic and Social Council must fulfil its mandate to coordinate and follow up international conferences, avoiding duplication and serving as a yardstick for measuring responsibilities and results.

57. Nigeria had been a party to all the recent major conferences; it had played a leading role in the unfolding of the New Partnership for Africa's Development (NEPAD) and was chairman of its Implementation Committee. While his country reaffirmed its commitment to fulfil its agreements, its capacity to achieve its targets would depend on support from its friends and partners. His delegation's views on the urgent need for debt cancellation in order to release resources for better social services were well documented, as was the fact that African countries paid more to the World Bank and IMF than they received from those two institutions. Nigeria had repaid in full, if not in excess. The African continent was perpetually

milked by the illicit transfer abroad of money acquired by corrupt and illegal means.

58. His delegation joined those who had called for effective measures to maximize the benefits of globalization and minimize its costs and to ensure sound economic governance. A new financial architecture should give developing countries a voice in financial decision-making, and international financial regulatory bodies should be more vigilant both in developed and developing countries so as to ensure burden-sharing in times of crisis. Despite the existence of specialized organizations, institutions and agencies, the United Nations was the appropriate forum to discuss all issues affecting humanity, for a global village had no borders.

59. **Mr. Khan** (Director, Division for Economic and Social Council Support and Coordination) said that delegations' comments and suggestions had been duly noted. The debate had been rich and positive and had set the stage for the Committee to focus on the current session's goal of moving away from a general to a more specific debate on globalization. The Secretariat had already attempted to do so in the report, and delegations should bear that in mind when they came to draft their views on topics for further discussions.

60. Other issues closely related to globalization which delegations should also consider were science and technology for development; immigration; coherent management of globalization in an institutional setting; and whether current economic trends favoured the strengthening of the positive dimension of globalization. The Secretariat would then be able to prepare a report for the next session, with the participation of all the organizations of the United Nations system, taking into account the need for coherence in globalization, but also in the follow-up to the Millennium Declaration and the integrated follow-up to conferences. He invited delegations to consider those issues also before reaching their conclusions.

The meeting rose at 6 p.m.